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SURFACE TRANSPORTATION BOARD

FIRST UNION RAIL

One O'hare Centre
6250 River Road, Suite 5000
Rosemont, IL 60018-4214

Tel 847.318.7575
Fax 847.318.7588
www.firstunionrail.com

VIA UPS 2nd DAY AIR

July 10, 2012

Chief Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, S.W., Suite 100
Washington, DC 20423-0001

Re: Memorandum of Lease Agreement

Dear Section Chief:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) originals and one (1) copy of a Memorandum of Lease Agreement dated June 21, 2012, a secondary document as defined in the Board's Rules for the Recordation of Documents. The enclosed document relates to the Lease Agreement which was duly filed with the Surface Transportation Board under Recordation Number 22581.

The names and addresses of the parties to the enclosed document are:

Lessor: First Union Rail Corporation
One O'Hare Centre
6250 River Road, Suite 5000
Rosemont, IL 60018

Lessee: Cascade and Columbia River Railroad Co.
7411 Fullerton Street
Suite 300
Jacksonville, FL 32256

A description of the railroad equipment covered by the enclosed document is for forty (40) boxcars; having SMW marks (see Exhibit A for car numbers).

A short summary of the document to appear in the index follows: Memorandum of Lease

Also enclosed is a check in the amount of \$41.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped original of the enclosed document to the undersigned along with the additional copies.

If you have any questions regarding the above-referenced matter, please contact me at (847) 384-5397.
Thank you for your cooperation in this matter.

Sincerely,



Marcia Dunne
Senior Rail Documentation Specialist

Enclosures

ASSGN. NO.: CSCD179

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MEMORANDUM OF LEASE

SURFACE TRANSPORTATION BOARD *st*

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 21 day of June, 2012, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and and Cascade and Columbia River Railroad Co. ("Lessee"), a Delaware corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement (the "Lease"), dated as of June 15, 1997, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 172 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of May 3, 2011, and subject to the terms, conditions and provisions of the above-mentioned Lease and Rider.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed under seal by their respective officers duly authorized as of the date and year first above written.

LESSOR:

FIRST UNION RAIL CORPORATION

By: Richard F. SeymourName: RICHARD F. SEYMOUR
Title: VICE PRESIDENT SALES & MARKETING

ATTEST:

By: Susan GrokulskaName: SUSAN GROKULSKY
Title: ASSISTANT DIRECTOR OF DOCUMENTATIONExecuted on this 21st day of June, 2012.

[CORPORATE SEAL]

STATE OF IllinoisCOUNTY OF Cook

I, Janice L Enolva, a Notary Public of the County and State aforesaid, certify that Richard F. Seymour personally appeared before me this day and acknowledged his/her due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 21st day of June, 2012.

Janice L. Enolva
Notary Public

My Commission Expires:

8-2-2014

(Notary Public)



LESSEE:

CASCADE AND COLUMBIA RIVER RAILROAD CO.

ATTEST:

By: Kathy Harayda

Name: Kathy Harayda

Title: Sr. Fleet Management Analysis Executed on this 15th day of June, 2012.

By: [Signature]

Name: James Shetelbino

Title: Vice President

[CORPORATE SEAL]

STATE OF Florida

COUNTY OF Duval

I, Bonnie D. Hatfield, a Notary Public of the County and State aforesaid, certify that James Shetelbino personally appeared before me this day and acknowledged his/her due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 15th day of June, 2012.

[Signature]
Notary Public

Commission Expires:

10-30-2015
(Notary Public)



EXHIBIT A
to
MEMORANDUM OF LEASE

NUMBER OF CARS: Forty (40)

DESCRIPTION OF CARS: Plate C Box Cars

CAR NUMBERS:

SMW	536009	SMW	540017
SMW	536030	SMW	540018
SMW	536063	SMW	540019
SMW	536071	SMW	540020
SMW	536076	SMW	540021
SMW	536081	SMW	540022
SMW	536103		
SMW	536105		
SMW	536107		
SMW	536108		
SMW	536117		
SMW	536120		
SMW	536124		
SMW	536126		
SMW	536131		
SMW	536177		
SMW	536215		
SMW	540000		
SMW	540001		
SMW	540002		
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SMW	540016		